

The State of Utah

Department of Natural Resources

Division of Oil, Gas & Mining

ROBERTL. MORGAN Executive Director

LOWELL P. BRAXTON Division Director

OLENE S. WALKER Governor

GAYLE F. McKEACHNIE Lieutenant Governor

Representatives Present During the Inspection:

Company Vicky S. Miller Environmental Specialist

Inspection Report

Permit Number:	C0070034
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, December 15, 2004
Start Date/Time:	12/15/2004 9:30:00 AM
End Date/Time:	12/15/2004 10:30:00 AM
Last Inspection:	Wednesday, September 29, 2004

Inspector: Dana Dean, Environmental Scientist III

Weather: Cold (~41 deg. F), calm, clear

InspectionID Report Number: 496

Accepted by: WHEDBERG

1/10/2005

Permitee: CANYON FUEL COMPANY LLC Operator: CANYON FUEL COMPANY LLC Site: BANNING SIDING LOADOUT

Address: PO BOX 1029, WELLINGTON UT 84542

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

36.42 Total Permitted

Total Disturbed

Phase I Phase II Phase III

Current Acreages

21.60

Mineral Ownership	Types of Operations			
☐ Federal	Underground			
☐ State	Surface			
☐ County	✓ Loadout			
☐ Fee	Processing			
Other	Reprocessing			

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Banning Loadout, to submit water quality data in an electronic format through the Electronic Data Input web site, http://linux1.ogm.utah.gov/cgibin/appxogm.cgi" They are complying with this condition.

Permitting Actions: There are two permitting actions before the Division for the Banning Loadout: to change the Post-Mining land-use (PMLU) on a portion of the site, and to update Chapter 1 in a general binder for all Canyon Fuel mines.

Violations: None

Inspector's Signature

Date

Thursday, December 16, 2004

Dana Dean, Environmental Scientist III Inspector ID Number: 50

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

Inspection Continuation Sheet

Permit Number: C0070034 Inspection Type: COMPLETE

Inspection Date: Wednesday, December 15, 2004

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
 Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	✓		✓	
 2.	Signs and Markers	✓			
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	•		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations	✓		✓	
5.	Explosives		✓		
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments		✓		
8.	Noncoal Waste	✓		✓	
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓			
10.	Slides and Other Damage		✓		
11.	Contemporaneous Reclamation		✓		
12.	Backfilling And Grading		✓		
13.	Revegetation	✓			
14.	Subsidence Control		✓		
15.	Cessation of Operations	✓			
16.	a Roads: Construction, Maintenance, Surfacing	✓			
16.	Roads: Drainage Controls	V			
17.	Other Transportation Facilities		✓		
18.	Support Facilities, Utility Installations	✓			
19.	AVS Check	✓		✓	
20.	Air Quality Permit	V		✓	
21.	Bonding and Insurance	✓			
22	Other				

Inspection Continuation Sheet

Permit Number: C0070034 Inspection Type: COMPLETE

Inspection Date: Wednesday, December 15, 2004

Page 3 of 3

1. Permits, Change, Transfer, Renewal, Sale

The Permittee had all proper permits on-site and available for review. The Oil, Gas, and Mining Permit term is from October 24, 2003 to October 24, 2008. The UPDES Permit is valid from May 1, 2003 to April 30, 2008.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Ms. Vicky Miller conducted the second quarter sediment pond inspection on July 4. She did not note any hazards or instability and the sediment was well below the cleanout marker. The pond was dry.

4.d Hydrologic Balance: Water Monitoring

The Permittee submitted the second quarter water monitoring information on September 14, 2004. It was complete.

4.e Hydrologic Balance: Effluent Limitations

Canyon Fuel provided hard copies of the third-quarter DMR data for review. There were no discharges during the quarter.

8. Noncoal Waste

The disturbed area was generally clear of noncoal waste.

19. AVS Check

Ms. Miller is working with Ms. Pamela Grubaugh-Littig of the Division to update the MRP and the AVS system with current ownership/control information. There are no permit holds in the AVS system.

20. Air Quality Permit

The Division of Environmental Quality last amended the Air Quality Permit in 1980.